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7 UNITED STATES DISTRICT COURT  
8 WESTERN DISTRICT OF WASHINGTON  
AT SEATTLE

9 SHANE LAFFERTY, a single person, )  
10 ) CASE NO. C17-0749RSM  
Plaintiff, )  
11 )  
v. ) ORDER GRANTING HUDSON  
12 ) INSURANCE CO.'S MOTION TO  
CHRISTOPHER LIU, et al., ) DISMISS  
13 )  
14 Defendants. )  
15 \_\_\_\_\_ )

16 This matter comes before the Court on Defendant Hudson Insurance Company  
17 ("Hudson")'s Motion to Dismiss and for Sanctions. Dkt. #39. Hudson argues that the only claim  
18 brought against it is for injunctive relief to compel Hudson to "cease and desist from pleading  
19 the defense of Indian sovereignty..." and that this issue "is moot because Indian sovereignty has  
20 not been raised by any defendant in this case." *Id.* at 2–3. Hudson points to the fact that nowhere  
21 is such a defense explicitly pled by any Defendant, let alone Hudson, which cannot plead  
22 sovereign immunity as an insurance company. On Reply, Hudson points out that any defense  
23 that could conceivably be considered as related to Indian sovereignty has been withdrawn by  
24 Defendant David Heenan. Dkt. #50 at 2 (citing Dkt. #46).  
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27 The Court agrees that sovereign immunity has not been pled in this case. Defendant  
28 David Heenan has filed an Answer asserting various affirmative defenses none of which assert

1 sovereign immunity. *See* Dkt. #13. Claims against David Heenan have been dismissed and he  
2 has withdrawn the defenses at issue. Accordingly, Plaintiff Lafferty simply has no remaining  
3 claim against Defendant Hudson, and any request for an injunction is moot. Defendant Hudson  
4 has met the standard for relief under Rule 12(b)(6).

5 The Court has considered Defendant Hudson's request for fees as a sanction under 28  
6 U.S.C. § 1927. Section 1927 provides that:  
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8 Any attorney or other person admitted to conduct cases in any court of the  
9 United States or any Territory thereof who so multiplies the proceedings in  
10 any case unreasonably and vexatiously may be required by the court to satisfy  
11 personally the excess costs, expenses, and attorneys' fees reasonably incurred  
12 because of such conduct.

13 Section 1927 sanctions require a bad faith finding. *See Soules v. Kauaians For Nukoli*  
14 *Campaign Comm.*, 849 F.2d 1176, 1185 (9th Cir. 1988). The Court finds that Plaintiff Lafferty's  
15 conduct has yet to "so multipl[y] the proceedings" in this case so as to warrant sanctions, and that  
16 Defendant Hudson has failed to put forth sufficient evidence of bad faith.

17 Accordingly, having considered the relevant briefing, supporting declarations, and the  
18 remainder of the record, the Court hereby finds and ORDERS that Defendant Hudson's Motion  
19 to Dismiss, Dkt. #39, is GRANTED. Plaintiff's claims against Hudson are dismissed. No  
20 sanctions are issued at this time.

21 DATED this 26th day of June, 2018.

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24 RICARDO S. MARTINEZ  
25 CHIEF UNITED STATES DISTRICT JUDGE  
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